

YEAR 2006 RECEIVED BY

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PUBLIC SERVICE
COMMISSION

ANNUAL REPORT

OF THE

NAME Treeline Springs, LLC

LOCATION Moonlight Basin, Big Sky, MT

PRIVATE WATER UTILITY

TO THE

PUBLIC SERVICE COMMISSION

OF MONTANA

FOR THE YEAR ENDING Dec 31 2006

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1984 National Association of Utility Regulatory Commissioners Uniform System of Accounts for Water Utilities.
2. Interpret all accounting words or phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section or page which is not applicable to the respondent enter the words "Not Applicable or NA". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. Complete this report by means which result in a permanent record.
7. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
8. This report should be filled out in duplicate and one copy returned within 2 1/2 months after the close of the reporting period. The report should be returned to:

Montana Public Service Commission
Utility Division
2701 Prospect Avenue
Helena, Montana 59620

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REPORT OF

TreeLine Springs LLC

(Exact Name of Utility)

PO Box 1369

(Address)

ENNIS, MT 59729

(City, State, Zip Code)

For Year Ended DEC 31 2006

Date Utility First Organized JAN 1 1999

Telephone Number 406 682 6666

Location where books and records are located 2 Hot Springs Loop Rd ENNIS, MT 59729

Contracts:			
Name	Title	Principal Business Address	Salary
Person to send correspondence:	KEVIN GERMAIN Director of Planning	PO Box 1369 ENNIS, MT 59729	XXXXXXXX
Person who prepared this report:	CARIE LOWRY Financial Analyst	PO Box 1369 ENNIS, MT 59729	XXXXXXXX
Officers & Managers:			\$
			\$
			\$
			\$
			\$
			\$

Report every corporation or person owning interest or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principal Business Address	Salary Charged Utility
MOONLIGHT BASIN Ranch, LP	100%	PO Box 1369 ENNIS, MT 59729	\$ 36,465
			\$
			\$

INCOME STATEMENT

Account Name	Current Year	Previous Year
GROSS REVENUE:		
Metered		
Residential		
Commercial		
Industrial		
Other		
Unmetered		
Residential	93,513	81,578
Commerical		
Industrial		
Fire Protection		
Bulk Sales		
Sale of Materials		
Other		
TOTAL GROSS REVENUE	93,513	81,578
Operation and Maintenance Expense	120,542	118,832
Depreciation Expense	1,113	7,028
Taxes Other Than Income		
Income Taxes		
Deferred Federal Income Taxes		
Deferred State Income Taxes		
TOTAL OPERATING EXPENSE	121,655	125,860
NET OPERATING INCOME (LOSS)	(28, 142)	(44, 282)
Other Income:		
Non-Utility Income		
Other Deductions:		
Non-Utility Expenses		
Interest Expense		
Loss on Decommissioned Water Facility	(138,520)	0
NET INCOME (LOSS)	(166,662)	(44,282)

COMPARATIVE BALANCE SHEET

ACCONT NAME	CURRENT YEAR	PREVIOUS YEAR
Assets:		
Utility Plant In Service	45,254	217,640
Accumulated Depreciation and Amortization	(1,701)	(41,236)
Net Utility Plant		
Cash	3406	369
Customer Account Receivable	872	753
Other Assets (Specify) <i>Equip & Machinery</i>	4396	
Total Assets	52,227	177,526
Liabilities an Capital:		
Common Stock Issued		
Preferred Stock Issued		
Other Paid In Capital		
Retained Earnings		
Proprietary Capital	46,417	171,092
Total Capital		
Long Term Debt		
Accounts Payable	5,810	6,434
Notes Payable		
Customer Deposits		
Accrued Taxes		
Other Liabilities (Specify)		
Advances for Construction		
Contributions In Aid Of Construction		
Total Liabilities and Capital	52,227	177,526

Accumulated Depreciation and Amortization of Utility Plant

Account 108	Current Year	Previous Year
Balance First of Year	(41,236)	(34,208)
Credits During Year	(1113)	(7628)
Accruals Charged to Depreciation Account		
Salvage		
Other Credits (Specify)		
Total Credits	(42,349)	(41,236)
Debits During Year:		
Book Cost of Plant Retired	40,648	
Cost of Removal		
Other Debits (Specify)		
Balance End of Year	(1701)	(41,236)

CONTRIBUTIONS IN AID OF CONSTRUCTION

Report below all contractor and developer agreements and line extension agreements from which cash or property was received during the year	Indicate "Cash or Property"	Amount
N/A		
Total During Year		

ACCUMULATED DEFERRED INCOME TAXES

Description	Total
Accumulated Deferred Income Taxes:	
Federal	
State	
Total Accumulated Deferred Income Taxes	

CAPITAL STOCK

	Common Stock	Preferred Stock
Par or stated value per share		
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued		
Dividends declared per share for year		

RETAINED EARNINGS

	Appropriated	Unappropriated
Balance first of year		
Changes during year (Specify):		
Balance end of year		

PROPRIETARY CAPITAL

	Proprietor or Partner	Partner
Balance first of year	171,042	
Changes during year (specify):	62,820	
	(166,663)	
	(20,832)	
Balance end of year	46,417	

LONG TERM DEBT

Description of Obligation	Interest		Principal Per Balance Sheet Date
	Rate	Pymts	
Total			

WATER UTILITY PLANT ACCOUNTS

Acct No.	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures and Improvements	110,000		110,000	
305	Collecting and Impounding Reservoirs				
306	Lake River and Other Intakes				
307	Wells and Springs	42,640	46,023	25,000	63,663
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment				
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains	65,000		65,000	
333	Services				
334	Meters and Meter Installations				
335	Hydrants				
339	Other Plant and Miscellaneous Equipment		7,327		7,327
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop & Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	Total Water Plant	217,640	53,350	200,000	70,990

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT

ACCT. NO.	ACCOUNT	AVERAGE SERVICE LIFE IN YEARS	AVERAGE SALVAGE IN PERCENT	DEPR. RATE APPLIED	ACCUMULATED DEPRECIATION BALANCE PREVIOUS YEAR	DEBITS	CREDITS	ACCUMULATED DEPRECIATION BALANCE END OF YEAR
304	Structures & Improvements	30	%	.0333 %	22,141	(22,141)		
305	Collecting & Impounding Reservoirs		%	%				
306	Lake River & Other Intakes		%	%				
307	Wells and Springs	30	%	.0333 %	6,018	(5430)	1002	1590
308	Infiltrations Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equip.		%	%				
311	Pumping Equipment		%	%				
320	Water Treatment Equip.		%	%				
330	Distribution Reservoirs & Standpipes		%	%				
331	Trans. & Dist. Mains	30	%	.0333 %	13,077	(13,077)		
333	Services		%	%				
334	Meter & Meter Installation		%	%				
335	Hydrants		%	%			111	111
339	Other Plant & Misc. Equip.	5	%	.2 %				
340	Office Furniture and Equipment		%	%				
341	Transportation Equip.		%	%				
342	Stores Equipment		%	%				
343	Tools, Shop & Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				41,236	(40,648)	1113	1701

WATER OPERATION AND MAINTENANCE EXPENSE

ACCOUNT NAME	AMOUNT
Salaries and Wages - Employees	36,465
Salaries and Wages - Officers, Directors and Majority Stockholders	
Employee Pensions and Benefits	
Purchased Water	
Purchased Power	15,500
Fuel For Power Production	
Chemicals	
Materials and Supplies	46,274
Contractual Services	21,423
Rents	
Transportation Expense	
Insurance Expense	555
Regulatory Commission Expense	
Bad Debt Expense	
Miscellaneous Expense	326
Total	120,543

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning rate, management, construction, advertising, labor relations, public relations, or other similar services rendered the respondent for which the aggregate payments during the year to any corporation, partnership, individual or organization of any kind whatever, amounting to \$500. or more. Utilities having revenue in excess of \$100,000 should report amounts of \$5,000 or more.

[illegible]

SOURCES OF WATER SUPPLY

Surface Water: River 0 Lake 0 Stream 0 Impounding Res. 0
 Ground Water: Springs No. 0 Shallow Wells No. 0 Deep Wells No. 2

SUPPLY, TRANSMISSION & DISTRIBUTION MAINS (FEET)

Size Inches	First of Year	Laid During Year	Total	Abandoned During Yr.	Taken Up During Yr.	Total	Close of Year
16"	3,400	1,866	5,266	0	0	5,266	5,266
8"	22,690	1,700	24,390	0	0	24,390	24,390
6"	3,800	0	3,800	0	0	3,800	3,800
Total							
	29,890	3,566	33,456	0	0	33,456	33,456

RESERVOIRS, STANDPIPES AND PURIFICATION SYSTEM

Number of Reservoirs 1 Capacity in Gallons 318,000
 Number of Standpipes 0 Capacity in Gallons N/A
 Method of Purification none

SERVICES AND METERS

Services
 1/2 in. _____ 5/8 in. _____ 1 in. 233 1 1/2 in. 4 2 in. 21 3 in. 0 4 in. 6 6 in. 1 _____
 Meters
0 0 0 0 0 0 0 0 _____

NUMBER AND CLASSIFICATION OF CONSUMERS

-Beginning of Year-

-Close of Year-

Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase or Decrease
Residential	0	169	169	0	193	193	24
Commercial	0	3	3	0	3	3	0
Industrial	0	0	0	0	0	0	0
Fire Hydrants	0	41	41	0	52	52	11
Governmental	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0
Total							
	0	213	213	0	248	248	

TOTAL PUMPING STATION STATISTICS

Total Amount of Water Obtained by all methods during the Year 29,331,108 gals.
 Maximum Water obtained all methods during any one day 143,007 gals.
 Minimum Amount of Water obtained all methods during one day 21,844 gals.
 Total Amount of Water passed through customers meters during year 0 gals.
 Range of ordinary pressure on mains 50 lbs. to 120 lbs.
 Range of fire pressure in mains 50 lbs. to 120 lbs.

STATE OF MONTANA)
County of Madison)

We, the undersigned, on our oath do severally say that the foregoing return the
TreeLine Springs, LLC, water utility, has been prepared
under our direction from the original books, papers and records of said utility and declare
the same to be a full, true and correct statement embracing all the financial transactions of
said utility during the period for which the return is made.

Carrie Fournier

Subscribed and sworn to before me this 29th day of May, 2007.

Carol D. Crawford
Residing at: Ennis, MT

